GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3766
ANSWERED ON:24.03.2017
Recast Packages under CDR
M. Smt. Vasanthi

Will the Minister of FINANCE be pleased to state:

a) whether the Corporate Debt Restructuring (CDR) packages of 264 borrowers worth Rs.1,25,093 crore of loans have turned into bad assets and if so, the details thereof and the reasons therefor;
b) whether the recast packages worth Rs.42,00 crore under the CDR failed in 2016 and if so, the details thereof; and
c) the steps taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(a) to (c): As per the data provided by Corporate Debt Restructuring (CDR) Cell, the total number of cases approved under CDR mechanism as on December 31, 2016 was 530 with aggregated debt amount of Rs.4.03 lakh crore. Out of this, the number of cases withdrawn on account of package failure is 264 with aggregated debt of Rs.1.25 lakh crore and the number of cases successfully exited is 98 with aggregated debt amount of Rs.0.71 lakh crore. The remaining cases numbering 168 with aggregated debt amount of Rs.2.07 lakh crore are live.
Reason for turning NPA are non-achievement of CDR projections due to economic slowdown, competition from China and natural calamities like draught which affected sugar industries, land acquisitions issue in Infra projects.

Further, Reserve Bank of India (RBI) under the Asset Quality Review (AQR), carried out with reference to the position as on March 31, 2015 advised banks to recognize impairment and make additional provisions for specific accounts based on extant Income Recognition and Asset Classification (IRAC) Norms.
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